

REMARKS

This Application has been carefully reviewed in light of the Office Action mailed June 13, 2006 ("Office Action"). At the time of the Office Action, Claims 1-32 were pending and Claims 7-32 were withdrawn in the application. In the Office Action, the Examiner rejects Claims 1-6. Applicants amend Claim 1 and cancel Claim 2. Applicants add new Claims 33-46. Applicants respectfully request reconsideration and favorable action in this case.

Claims 1 and 3-6 are Allowable over the Cited References

The Examiner rejects Claims 1 and 3 under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,536,659 issued to Hauser et al. ("*Hauser*"). The Examiner rejects Claim 2 under 35 U.S.C. § 103(a) as being unpatentable over *Hauser* in view of "*Cattron Acquires Theimeg*"; Modern Materials Handling; Boston; October 2000 ("*ReturnVale1*"). The Examiner rejects Claims 4-6 under 35 U.S.C. § 103(a) as being unpatentable over *Hauser* as applied to Claim 3 above, and further in view of "J. Crew Selects Newgistics' *ReturnVale* Service for Managing Product Returns," Business Editors, Business Wire; January 14, 2002 ("*ReturnVale2*"). Applicants respectfully submit, however, that the cited references do not disclose, teach, or suggest each and every element recited in Applicants' claims.

For example, Applicants respectfully submit that, whether considered individually or in combination, *Hauser*, *ReturnVale1*, and *ReturnVale2* do not disclose, teach, or suggest at least the following features and operations recited in amended Claim 1.

- receiving, by carrier delivery, packages containing returned items at a selected one of the regional returns centers; and
- the selected one of the regional returns centers selected for carrier delivery of the package because the selected one of the regional returns centers is geographically closer to a location of a customer from which the package is received than others of the plurality of regional returns centers.

To the contrary, *Hauser* discloses that a "merchant 14 will authorize the customer to return the merchandise to the central return facility." (Column 3, lines 56-59; Figure 3). "The NATIONAL RETURN CENTER™ is such a central return facility that has been created by

Returns Online, Inc. to efficiently service returned merchandise for a plurality of different merchants.” (Column 3, lines 59-63). Thus, there is no disclosure in *Hauser* of “receiving, by carrier delivery, packages containing returned items at a selected one of the regional returns centers” wherein “the selected one of the regional returns centers selected for carrier delivery of the package because the selected one of the regional returns centers is geographically closer to a location of a customer from which the package is received than others of the plurality of regional returns centers,” as recited in Claim 1.

The deficiencies of *Hauser* identified above are not cured by the additional disclosures of *ReturnValet1* and *ReturnValet2*. *ReturnValet1* merely discloses enabling “consumers to go back to the online retailer where they bought the product, linking them to Newgistics Web site, www.newgistics.com.” (*ReturnValet1*, page 1, paragraph 4). “There, the customer will receive information regarding the location of the nearest postal center where they can go and return the product - receiving instant credit.” (*ReturnValet1*, page 1, paragraph 4). Similarly, *ReturnValet2* also discloses that customers returning merchandise apply a smart shipping label “and drop it in the U.S. Postal System.” (*ReturnValet2*, page 2, paragraph 1). Alternatively, customers “who prefer to hand off their merchandise to a person” may access “ReturnValet’s nationwide network of convenient neighborhood pack and ship locations.” (*ReturnValet2*, page 2, paragraph 2). Thus, neither of *ReturnValet1* nor *ReturnValet2* disclose, teach, or suggest “receiving, by carrier delivery, packages containing returned items at a selected one of the regional returns centers” wherein “the selected one of the regional returns centers selected for carrier delivery of the package because the selected one of the regional returns centers is geographically closer to a location of a customer from which the package is received than others of the plurality of regional returns centers,” as recited in Claim 1.

For at least these reasons, Applicants respectfully request reconsideration and allowance of Claim 1, together with Claims 3-6 that depend on Claim 1.

The Proposed Combinations of References are Improper

Furthermore, Applicants respectfully submit that the Examiner has not provided the requisite teaching, suggestion, or motivation, either in the cited references or in the

knowledge generally available to one of ordinary skill in the art at the time of Applicant's invention to modify or combine *Hauser* with *ReturnVale1* or *ReturnVale2* in the manner the Examiner proposes. Applicants' claims are allowable for at least this additional reason.

1. The Legal Standard

The question raised under 35 U.S.C. § 103 is whether the prior art taken as a whole would suggest the claimed invention taken as a whole to one of ordinary skill in the art at the time of the invention. Accordingly, even if all elements of a claim are disclosed in various prior art references, which is certainly not the case here as discussed above, the claimed invention taken as a whole cannot be said to be obvious without some reason given in the prior art why one of ordinary skill at the time of the invention would have been prompted to modify the teachings of a reference or combine the teachings of multiple references to arrive at the claimed invention. It is clear based at least on the many distinctions discussed above that the proposed *Hauser-ReturnVale1* and *Hauser-ReturnVale2* combinations do not, taken as a whole, suggest the claimed invention, taken as a whole. Applicants respectfully submit that the Examiner has merely pieced together disjointed portions of references, with the benefit of hindsight using Applicants' claims as a blueprint, in an attempt to reconstruct Applicants' claims.

The governing Federal Circuit case law makes this strict legal standard clear.¹ According to the Federal Circuit, "a showing of a suggestion, teaching, or motivation to combine or modify prior art references is an essential component of an obviousness holding." *In re Sang-Su Lee*, 277 F.3d 1338, 1343, 61 U.S.P.Q.2d 1430, 1433 (Fed. Cir. 2002) (quoting *Brown & Williamson Tobacco Corp. v. Philip Morris Inc.*, 229 F.3d 1120, 1124-25, 56 U.S.P.Q.2d 1456, 1459 (Fed. Cir. 2000)). "Evidence of a suggestion, teaching, or motivation . . . may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, the nature of the problem to be solved." *In re Dembiczak*, 175 F.3d 994, 999, 50 U.S.P.Q.2d 1614, 1617 (Fed. Cir. 1999). However, the "range of sources available . . . does not diminish the requirement for actual evidence." *Id.* ***Although a prior art device "may be capable of being modified to run the way the apparatus is claimed, there***

¹ Note M.P.E.P. 2145 X.C. ("The Federal Circuit has produced a number of decisions overturning obviousness rejections due to a lack of suggestion in the prior art of the desirability of combining references.")

must be a suggestion or motivation in the reference to do so.” In re Mills, 916 F.2d at 682, 16 U.S.P.Q.2d at 1432 (emphasis added). *See also In re Rouffet*, 149 F.3d 1350, 1357, 47 U.S.P.Q.2d 1453, 1457-58 (Fed. Cir. 1998) (***holding a prima facie case of obviousness not made where the combination of the references taught every element of the claimed invention but did not provide a motivation to combine***); *In Re Jones*, 958 F.2d 347, 351, 21 U.S.P.Q.2d 1941, 1944 (Fed. Cir. 1992) (“Conspicuously missing from this record is any evidence, other than the PTO’s speculation (if that can be called evidence) that one of ordinary skill in the herbicidal art would have been motivated to make the modification of the prior art salts necessary to arrive at” the claimed invention.). Even a determination that it would have been obvious to one of ordinary skill in the art at the time of the invention to try the proposed modification or combination is not sufficient to establish a *prima facie* case of obviousness. *See In re Fine*, 837 F.2d 1071, 1075, 5 U.S.P.Q.2d 1596, 1599 (Fed. Cir. 1988).

In addition, the M.P.E.P. and the Federal Circuit repeatedly warn against using an applicant’s disclosure as a blueprint to reconstruct the claimed invention. For example, the M.P.E.P. states, “***The tendency to resort to ‘hindsight’ based upon applicant’s disclosure is often difficult to avoid due to the very nature of the examination process. However, impermissible hindsight must be avoided and the legal conclusion must be reached on the basis of the facts gleaned from the prior art.***” M.P.E.P. § 2142 (emphasis added). The governing Federal Circuit cases are equally clear. “A critical step in analyzing the patentability of claims pursuant to [35 U.S.C. § 103] is casting the mind back to the time of invention, to consider the thinking of one of ordinary skill in the art, guided only by the prior art references and the then-accepted wisdom in the field. . . . Close adherence to this methodology is especially important in cases where the very ease with which the invention can be understood may prompt one ‘to fall victim to the insidious effect of a hindsight syndrome ***wherein that which only the invention taught is used against its teacher.***”” *In re Kotzab*, 217 F.3d 1365, 1369, 55 U.S.P.Q.2d 1313, 1316 (Fed. Cir. 2000) (citations omitted; emphasis added). In *In re Kotzab*, the court noted that to prevent the use of hindsight based on the invention to defeat patentability of the invention, this court requires the examiner to show a motivation to combine the references that create the case of obviousness. *See id.* *See also, e.g., Grain Processing Corp. v. American Maize-Products*, 840 F.2d 902, 907, 5 U.S.P.Q.2d 1788, 1792 (Fed. Cir. 1988). Similarly, in *In re Dembiczak*, the Federal Circuit

reversed a finding of obviousness by the Board, *explaining that the required evidence of such a teaching, suggestion, or motivation is essential to avoid impermissible hindsight reconstruction of an applicant's invention:*

Our case law makes clear that the best defense against the subtle but powerful attraction of hind-sight obviousness analysis is ***rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references.*** Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentability—the essence of hindsight.

175 F.3d at 999, 50 U.S.P.Q.2d at 1617 (emphasis added) (citations omitted; emphasis added).

2. The Analysis

Independent Claim 1 has been amended to include certain features that are analogous to features formerly recited in now cancelled Claim 2. According to the Examiner and with regard to now cancelled Claim 2, “[i]t would have been obvious to one of ordinary skill in the art at the time of the invention to have modified the method of *Hauser* with the returning to the station closest to the customer of *ReturnValet1*, since such a modification would have provided a means for a customer to receive instant credit for a returned item (see at least page 1 of *ReturnValet1*).” (Office Action, page 5). Similar conclusory statements are made with respect to Claims 5-6 and *ReturnValet2*. For example, with regard to Claims 5 and 6, specifically, the Examiner states that “[i]t would have been obvious to one of ordinary skill in the art at the time of the invention to have modified the method of *Hauser* with representing a purchase transaction with an invoice number, as taught by *ReturnValet2*, since such a modification would have provided a means to expedite returns (see at least page 2 of *ReturnValet2*).” (Office Action, pages 6-7).

Thus, it appears that the Examiner has merely proposed alleged advantages of combining *Hauser* with *ReturnValet1* or *ReturnValet2* (advantages which Applicants do not admit could even be achieved by combining these references in the manner the Examiner proposes). While the Examiner has cited a portions of *ReturnValet1* and *Return Valet2* that tout advantages of their respective systems, the Examiner has not pointed to any portions of

the cited references that would teach, suggest, or motivate one of ordinary skill in the art at the time of invention to incorporate the central return facility disclosed in *Hauser* with the postal centers and drop-off locations disclosed in *ReturnVale1* or *ReturnVale2*. In other words, the alleged advantage of the systems disclosed in *ReturnVale1* and *ReturnVale2* do not provide an explanation as to: (1) why it would have been obvious to one of ordinary skill in the art at the time of Applicants' invention (*without using Applicants' claims as a guide*) to modify the particular techniques disclosed in *Hauser* with the cited disclosures in *ReturnVale1* and *ReturnVale2*; (2) how one of ordinary skill in the art at the time of Applicants' invention would have actually done so; and (3) how doing so would purportedly meet the limitations of Applicants' claims. Indeed, if it were sufficient for Examiners to merely point to a purported advantage of one reference and conclude that it would have been obvious to combine or modify that reference with other references simply based on that advantage (which, as should be evident from the case law discussed above, it certainly is not), then virtually any two or more references would be combinable just based on the fact the one reference states an advantage of its system. Of course, as the Federal Circuit has made clear and as discussed above, that is not the law.

Applicants respectfully submit that the Examiner's attempt to modify or combine *Hauser* with *ReturnVale1* and/or *ReturnVale2* appears to constitute the type of impermissible hindsight reconstruction of Applicants' claims, using Applicants' claims as a blueprint, that is specifically prohibited by the M.P.E.P. and governing Federal Circuit cases. Accordingly, Applicants respectfully submit that the Examiner's conclusions set forth in the Office Action do not meet the requirements set forth in the M.P.E.P. and the governing Federal Circuit case law for demonstrating a *prima facie* case of obviousness. Applicants respectfully submit that the rejection must therefore be withdrawn.

For at least these reasons, Applicants respectfully request reconsideration and allowance of Applicants' claims.

New Claims are Allowable

New Claims 33-46 have been added and are fully supported by the original specification. No new matter has been added. Claims 33-46 recite certain features and operations that are analogous to certain features recited in independent Claim 1. For example, independent Claim 33 recites "receiving a package containing at least one returned item at a selected one of the plurality of regional returns centers." Claim 33 also recites that "the selected one of the regional returns centers [is] selected for carrier delivery of the package because the selected one of the regional returns centers is geographically closer to a location of a customer from which the package is received than others of the plurality of regional returns centers." Accordingly, Applicants respectfully submit that Claim 33 is allowable over the proposed *Hauser-ReturnValet1* and *Hauser-ReturnValet2* combinations for reasons analogous to those discussed above with regard to Claim 1. For at least these reasons, Applicants respectfully submit that new independent Claim 33 is allowable over the prior art. Applicants request consideration and allowance of Claim 33, together with Claims 34-46 that depend from Claim 33.

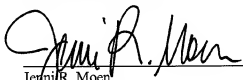
CONCLUSION

Applicants have made an earnest attempt to place this case in condition for immediate allowance. For the foregoing reasons and for other reasons clear and apparent, Applicants respectfully request reconsideration and allowance of the pending claims.

The Commissioner is hereby authorized to charge \$425.00 for additional claims to Deposit Account No. 02-0384 of Baker Botts L.L.P. Applicants do not believe any other fees are due; however, the Commissioner is hereby authorized to charge any additional fees or credit any overpayment to Deposit Account No. 02-0384 of Baker Botts L.L.P.

If there are matters that can be discussed by telephone to advance prosecution of this application, Applicants invite the Examiner to contact its attorney at (214) 953-6809.

Respectfully submitted,
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